

AMENDED IN ASSEMBLY MAY 13, 2002

AMENDED IN ASSEMBLY APRIL 16, 2002

AMENDED IN ASSEMBLY APRIL 1, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2014

Introduced by Assembly Member Harman

February 15, 2002

An act to add Section 6073.3 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2014, as amended, Harman. Sales and use taxes: seller's permit.

Under the Sales and Use Tax Law, the State Board of Equalization may require an operator of a swap meet, flea market, or special event to determine that sellers either have a valid seller's permit or are not engaged in selling taxable items.

This bill would require the board to distribute to the operator of a swap meet, flea market, or special event, and require the operator to distribute to each ~~seller~~ *vendor*, an explanation of the sales tax law ~~and~~, *including* a statement of the penalties for violating that law, as specified. The bill would impose a penalty not to exceed ~~\$5,000~~ *\$2,500* on operators who willfully, and on 3 or more occasions within a 12-month period, fail or refuse to comply with these provisions.

This bill would exempt charitable nonprofit organizations, operating a swap meet, flea market, or special event, from these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6073.3 is added to the Revenue and
2 Taxation Code, to read:
3 6073.3. (a) The board shall distribute to the operator of a
4 swap meet, flea market, or special event ~~both of the following:~~
5 ~~(1) A one-page explanation of the sales tax law, that includes,~~
6 ~~but is not limited to, a description of a seller's obligation. but is not~~
7 ~~limited to, both of the following:~~
8 ~~(1) A description of a vendor's obligation.~~
9 (2) A ~~separate~~ statement in bold type explaining the penalties
10 for violating the sales tax law, as provided in Chapter 10
11 (commencing with Section 7151).
12 (b) The operator of a swap meet, flea market, or special event
13 shall distribute the explanation of the sales tax law and statement
14 of penalties described in subdivision (a) to each ~~seller~~ vendor upon
15 registering the ~~seller~~ vendor to conduct business at a swap meet,
16 flea market, or special event.
17 (c) *For purposes of this section, "swap meet," "swap meet*
18 *operator," and "vendor" have the same meaning as specified in*
19 *Section 21661 of the Business and Professions Code.*
20 (d) *Nothing in this section may be construed to conflict with*
21 *Section 6073.1.*
22 (e) *This section does not apply to any charitable nonprofit*
23 *organization that is the operator of a swap meet, flea market, or*
24 *special event.*
25 (f) Any operator of a swap meet, flea market, or special event
26 who willfully, and on three or more ~~occasions~~ operating days
27 within a 12-month period, fails or refuses to comply with the
28 requirements of subdivision (b) is subject to a penalty not
29 exceeding ~~five thousand dollars (\$5,000).~~ two thousand five
30 hundred dollars (\$2,500). *An operator may petition for*
31 *redetermination of any penalty imposed within 30 days after notice*
32 *of imposition of the penalty.*

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